

1 DEBORAH CONNOR, Chief
Money Laundering and Asset Recovery Section (MLARS)
2 MARY BUTLER
Chief, International Unit
3 WOO S. LEE
Deputy Chief, International Unit
4 JONATHAN BAUM, Senior Trial Attorney
BARBARA LEVY, Trial Attorney
5 JOSHUA SOHN, Trial Attorney
Criminal Division
6 United States Department of Justice
1400 New York Avenue, N.W., 10th Floor
7 Washington, D.C. 20530
Telephone: (202) 514-1263
8 Email: Woo.Lee@usdoj.gov

9 NICOLA T. HANNA
United States Attorney
10 LAWRENCE S. MIDDLETON
Assistant United States Attorney
Chief, Criminal Division
11 STEVEN R. WELK
Assistant United States Attorney
Chief, Asset Forfeiture Section
12 JOHN J. KUCERA (CBN: 274184)
MICHAEL R. SEW HOY (CBN: 243391)
13 Assistant United States Attorneys
Asset Forfeiture Section
14 312 North Spring Street, 14th Floor
Los Angeles, California 90012
15 Telephone: (213) 894-3391/(213)894-3314
16 Facsimile: (213) 894-0142
Email: John.Kucera@usdoj.gov
17 Michael.R.Sew.Hoy@usdoj.gov

18 Attorneys for Plaintiff
19 UNITED STATES OF AMERICA

20 UNITED STATES DISTRICT COURT

21 FOR THE CENTRAL DISTRICT OF CALIFORNIA

22 UNITED STATES OF AMERICA,

23 Plaintiff,

24 v.

25 ONE PAINTING ENTITLED "NATURE
26 MORTE AU CRANE DE TAUREAU" BY
27 PABLO PICASSO; ET AL.,

28 Defendants.

No. CV 17-4443 DSF (PLAx)

PLAINTIFF'S MAY 2019 STATUS
REPORT

1 On June 15, 2017, Plaintiff United States of America (the
2 "government") filed a Verified Complaint for Forfeiture *in Rem*
3 against defendants One Painting Entitled "Nature Morte Au Crane De
4 Taureau" by Pablo Picasso (the "Picasso"); One Collage Entitled
5 "Redman One" by Jean-Michel Basquiat (the "Basquiat"); and One
6 Photograph Entitled "Boy With The Toy Hand Grenade" by Diane Arbus
7 (the "Arbus") (hereinafter, the "Defendant Assets"). On June 20,
8 2017, the government filed a First Amended Complaint for Forfeiture
9 *in Rem* ("FAC") against the Defendant Assets.

10 Beginning on June 21, 2017, notice of Civil Forfeiture was
11 posted on an official government internet site (www.forfeiture.gov)
12 for at least 30 consecutive days, as required by Rule G(4)(a)(iv)(C)
13 of the Supplemental Rules for admiralty or Maritime Claims and Asset
14 Forfeiture Actions. Accordingly, the time to file a claim and answer
15 for all interested parties expired on August 20, 2017, and September
16 10, 2017, respectively.

17 On August 4, 2017, direct notice of the Civil Forfeiture action
18 was e-mailed to counsel for the one known potential claimant and
19 owner of the Defendant Assets, Leonardo DiCaprio, as agreed upon by
20 counsel. Accordingly, the time to file a claim and answer for the
21 known potential claimants expired October 11, 2017, and November 3,
22 2017, respectively.

23 At the time of the filing of the FAC, the Picasso and Basquiat
24 were located in Switzerland. On June 16, 2017, a warrant for arrest
25 *in rem* was issued for the Defendant Assets. Copies of the FAC,
26 notice, and the arrest warrant *in rem* were received and served by the
27 Central Authority of Switzerland, pursuant to the Treaty Between the
28

1 United States of America and the Swiss Confederation on Mutual
2 Assistance in Criminal Matters ("MLAT").

3 Through counsel and in an affidavit, Mr. DiCaprio represented
4 that he was surrendering the Defendant Assets to the government and
5 that he would not pursue any legal claims or defenses that he might
6 have to the Defendant Assets or this case. The Defendant Assets are
7 in the custody and control of the United States Marshals Service.
8 (Dkt. No. 21).

9 On January 5, 2018, a Default by Clerk was issued (Dkt. No. 23).

10 On September 24, 2018, this Court issued an Order in the related
11 case *United States v. Certain Rights to and Interests in Shares of*
12 *Series D Preferred Stock in Palantir Technologies*, CV 17-4446-DSF
13 (PLAx) ("Palantir Action"), granting a motion by the claimant in that
14 case (the "Palantir Claimant") to certify for interlocutory appeal
15 the Court's denial of the Palantir Claimant's motion to dismiss.
16 Specifically, the Court certified for interlocutory appeal two issues
17 relating to (i) whether the government's civil action seeking to
18 forfeit the asset in the Palantir Action was properly venued, and
19 (ii) whether the government must make a showing of personal
20 jurisdiction over a claimant in a civil forfeiture action.

21 In accordance with the Court's Order in the Palantir Action, the
22 government provided notice of the Court's Order in this case issued
23 on September 24, 2018 (Dkt. No. 27). On October 4, 2018, the
24 Palantir Claimant filed a Petition for Permission to Appeal
25 Interlocutory Order of the United States District Court for the
26 Central District of California Pursuant to 28 U.S.C. § 1292(b) with
27 the United States Court of Appeals for the Ninth Circuit. That
28 petition remains pending with the Ninth Circuit with the Palantir

1 Claimant's reply was filed April 19, 2019, and the case is being
2 considered for the upcoming oral argument calendar in Pasadena for
3 dates in August 2019 and the two subsequent months.

4 Once the Ninth Circuit adjudicates the Palantir Claimant's
5 Petition, the government will again consider whether a Motion for
6 Default Judgment is appropriate.

7 The government will file the next status report in 180 days or
8 until a motion for default judgment is filed.

9 Dated: May 1, 2019

Respectfully submitted,

10 DEBORAH CONNOR
11 Chief, MLARS

12 NICOLA T. HANNA
13 United States Attorney

14 /s/Woo S. Lee

15 JOHN J. KUCERA
16 MICHAEL R. SEW HOY
Assistant United States Attorneys

17 WOO S. LEE
18 Deputy Chief, MLARS
19 JONATHAN BAUM
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JOSH SOHN
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23
24
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